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BEFORE THE ARIZONA CORPORATION COMMISSION

DOUG LITTLE

Chairman

BOB STUMP

Commissioner

BOB BURNS

Commissioner

TOM FORESE

Commissioner

ANDY TOBIN

Commissioner

Arizona Corporation Commission

DOCKETED

JUN 27 2016

DOCKETED BY

KC

IN THE MATTER OF THE APPLICATION)
OF AJO IMPROVEMENT COMPANY -)
ELECTRIC DIVISION - FOR A)
REDUCTION IN THE RENEWABLE)
ENERGY STANDARD AND TARIFF)
SURCHARGE.)

DOCKET NO. E-01025A-16-0073

DECISION NO. 75601

ORDER

Open Meeting
June 14 and June 15, 2016
Phoenix, Arizona

BY THE COMMISSION:

FINDINGS OF FACT

1. Ajo Improvement Company ("AIC" or "Company") is certificated to provide electricity as a public service corporation in the state of Arizona.

Background

2. On March 1, 2016, AIC filed an application for a reduction in the Renewable Energy Standard and Tariff ("REST") surcharge.

3. Commission Decision No. 75454 (February 11, 2016) granted a waiver of the Annual Renewable Energy Requirement for AIC's REST Plan years 2015 and 2016. Because of the waiver, Decision No. 75454 also reflected a budget reduction for AIC. The REST Plan budget was reduced by \$20,688 for 2015 and by \$24,625 for 2016.

4. In addition, Decision No. 75454 required AIC to file with the Commission, within 30 days of the effective date of the Decision, an application to reduce the REST surcharge to reflect the

1 budget reduction that the waiver provided. In response, the Company submitted this application to
2 reduce the surcharge from the existing \$0.004 per kilowatt-hour ("kWh") to \$0.000 per kWh.

3 **Analysis and Recommendations**

4 5. Since Decision No. 75454 reduced AIC's annual REST budget to \$1,000, it is
5 appropriate to reduce the REST surcharge. Staff has recommended that AIC's proposed reduction in
6 its REST surcharge from \$0.004 per kWh to \$0.000 per kWh be approved.

7 6. Staff has further recommended that AIC should file in Docket Control a revised
8 REST tariff consistent with the Decision in this case, within 15 days of the effective date of the
9 Decision.

10 7. In addition, Staff has recommended that, beginning in 2016, AIC file its annual REST
11 compliance reports in a docket to be opened by Staff.

12 CONCLUSIONS OF LAW

13 1. Ajo Improvement Company is an Arizona public service corporation within the meaning
14 of Article XV, Section 2, of the Arizona Constitution.

15 2. The Commission has jurisdiction over Ajo Improvement Company and over the subject
16 matter of the application.

17 3. The Commission, having reviewed Staff's memorandum dated May 31, 2016, concludes
18 that it is in the public interest to approve the Ajo Improvement Company Renewable Energy Standard
19 Tariff surcharge as discussed herein.

20 ORDER

21 IT IS THEREFORE ORDERED that Ajo Improvement Company's proposed reduction in
22 its Renewable Energy Standard and Tariff surcharge from \$0.004 per kWh to \$0.000 per kWh is
23 approved.

24 IT IS FURTHER ORDERED that Ajo Improvement Company file in Docket Control a
25 revised REST tariff consistent with the Decision in this case, within 30 days of the effective date of
26 the Decision.

27 ...

28 ...

1 IT IS FURTHER ORDERED that, beginning in 2016, Ajo Improvement Company file its
2 annual REST compliance reports in a docket to be opened by Staff.

3 IT IS FURTHER ORDERED that this Decision shall become effective immediately.
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6 **BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION**

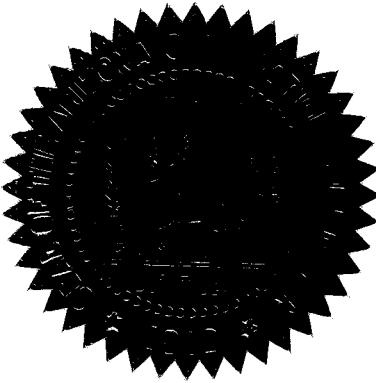
7 
8 CHAIRMAN

9 
10 COMMISSIONER

11 
COMMISSIONER

12 
COMMISSIONER

13 
COMMISSIONER



IN WITNESS WHEREOF, I, JODI JERICH, Executive Director of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this 27th day of June, 2016.

20 
JODI JERICH
EXECUTIVE DIRECTOR

21 DISSENT: _____

22 DISSENT: _____

23 TMB:JJP:red/CHH
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26
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1 SERVICE LIST FOR: Ajo Improvement Company
2 DOCKET NO. E-01025A-16-0073

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